

Fund Overview

A smart beta investing strategy designed to harness the performance potential of ESG, quality and value factors.

Investment Process

Optimized, factor-based

Investment Style

Large Cap Core

Benchmark

Russell 1000 Index¹

Portfolio Characteristics as of 3/31/17

| | Fund | Benchmark |
|---|-----------|-----------|
| Market Cap (weighted avg.) ² | \$132,009 | \$148,880 |
| Forward Price/Earnings ³ | 16.75 | 18.40 |
| ROE ⁴ | 27.71 | 18.05 |
| Beta ⁵ | 0.90 | 1.00 |
| Number of Securities | 150 | 997 |

Portfolio Investment Team

Aperio Group, LLC

Ran Leshem, Portfolio Manager

Robert Tymoczko, Portfolio Manager

Michael Branch, CFA®, Portfolio Manager

Annie Tan, Portfolio Manager

Pax World Management LLC

David Loehwing, Director, Sustainability Research Department, Portfolio Manager

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Performance and Portfolio Update

- The Fund slightly underperformed the benchmark Russell 1000 Index¹ in the first quarter. The main drivers of the return difference were the factors used in the strategy construction.
- The overweight towards quality factors was the largest detractor for the period. Particularly, the strategy's exposure to value, as measured by earnings yield, detracted from relative performance as value stocks declined in the quarter.
- The tilt towards companies with higher profitability and earnings quality detracted from relative performance, while the strategy's exposure to lower volatility companies had an immaterial impact on relative results.
- Environmental, social and governance (ESG) factors, as measured by the Pax Sustainability Score, had a negligible impact on relative performance for the quarter. The Fund benefited from an underweight position in companies that scored in the bottom 50th percentile. However, the effect was largely offset by an overweight position in companies that scored in the top 50th percentile.
- Industry exposures, which are driven by the factor and ESG tilts, were a positive contributor to relative returns for the quarter. Company-specific exposure contributed positively to relative results as well.

Returns (%)⁶

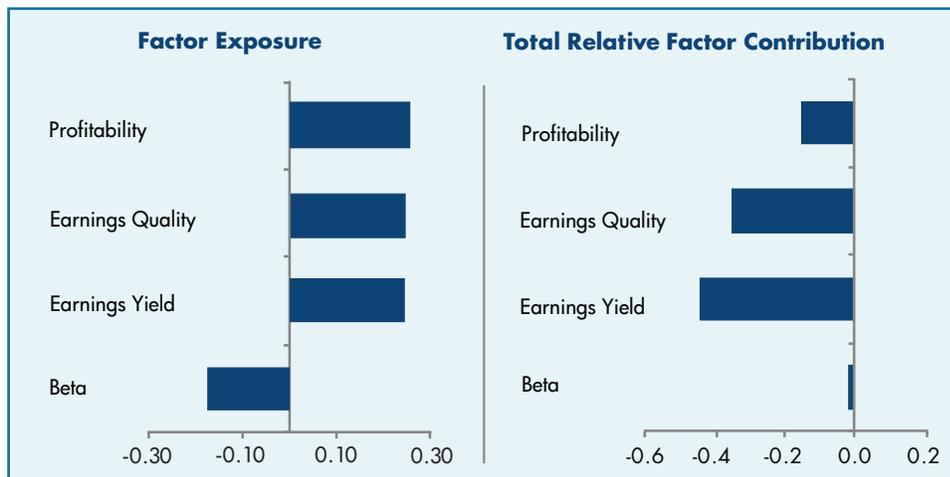
As of March 31, 2017

Average Annual Returns (%)

| | 3-month | YTD | 1-year | 3-year | 5-year | 10-Year | Since Inception |
|--|---------|------|--------|--------|--------|---------|-----------------|
| Pax ESG Beta Quality Fund (Without maximum sales charge) | | | | | | | |
| Individual Investor Class (PXWGX) (Inception Date: 6/11/97) | 5.80 | 5.80 | 12.36 | 8.23 | 10.52 | 7.14 | 4.94 |
| Class A (PXGAX) (Inception Date: 5/1/13) ⁷ | 5.81 | 5.81 | 12.35 | 8.23 | 10.53 | 7.14 | 4.94 |
| Institutional Class (PWGIX) (Inception Date: 4/2/07) ⁸ | 5.88 | 5.88 | 12.63 | 8.49 | 10.79 | 7.39 | 5.06 |
| Russell 1000 Index ¹ | 6.03 | 6.03 | 17.43 | 9.99 | 13.26 | 7.58 | — |
| Lipper Multi-Cap Core Funds Index ⁹ | 5.58 | 5.58 | 17.36 | 8.14 | 11.94 | 6.70 | — |
| Russell 1000 Growth Index ¹⁰ | 8.91 | 8.91 | 15.76 | 11.27 | 13.32 | 9.13 | — |
| Pax ESG Beta Quality Fund (With maximum 5.50% sales charge) Class A (PXGAX) (Inception Date: 5/1/13) | | | | | | | |
| | 0.00 | 0.00 | 6.17 | 6.20 | 9.29 | 6.54 | 4.64 |

Performance data quoted represents past performance, which does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. To obtain performance for the most recent month-end call 800.767.1729 or visit www.paxworld.com.

Total annual Pax ESG Beta Quality Fund operating expenses, gross of any fee waivers or reimbursements, for Individual Investor Class, Class A, and Institutional Class shares are 0.90%, 0.90% and 0.65%, respectively as of 4/1/2016 prospectus.



Past performance is no guarantee of future results.

RISKS: Equity investments are subject to market fluctuations, the fund's share price can fall because of weakness in the broad market, a particular industry, or specific holdings.

Effective June 30, 2016 the Pax Growth Fund (the "Predecessor Fund") was renamed the Pax ESG Beta Quality Fund (the Fund). The Predecessor Fund is treated as the survivor of the renaming for accounting and performance reporting purposes. Accordingly, all performance and other information shown for the Fund for periods prior to 6/30/2016 is that of the Predecessor Fund.

- ¹ The Russell 1000 Index measures the performance of the largest 1,000 US companies representing approximately 90% of the investable US equity market. One cannot invest directly in an index.
- ² Weighted Average is an average in which each quantity to be averaged is assigned a weight. These weightings determine the relative importance of each quantity on the average.
- ³ Forward Price-Earnings Ratio or P/E FY1 ratio is a ratio for valuing a company that measures its current share price relative to its per-share earnings over the next 12 months.
- ⁴ Return on Equity: The amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested.
- ⁵ An Ex-ante Beta is used for Funds with less than 2 years of performance history under its new mandate. The Ex-Ante Beta is calculated using a multi-factor risk model. Beta explains common variations in stock returns due to different stock sensitivities to the market relative to its underlying benchmark for the current period, not historical. A beta for a benchmark is 1.00: a beta greater than 1.00 indicates above average volatility and risk.
- ⁶ Figures include reinvested dividends, capital gains distributions, and changes in principal value.
- ⁷ The performance information shown for Class A represents the performance of the Individual Investor Class shares for the period prior to Class A inception. Expenses have not been adjusted to reflect the expenses allocable to Class A shares. Class A inception date return since May 1, 2013 is 12.03% (annualized). A 1.00% CDSC (contingent deferred sales charge) may be charged on any shares sold within 18 months of purchase over \$1 million.
- ⁸ The performance information shown for Institutional Class shares represents the performance of the Individual Investor Class shares for the period prior to Institutional Class inception (April 2, 2007). Expenses have not been adjusted to reflect the expenses allocable to Institutional Class shares. If such expenses were reflected, the returns would be higher than those shown. Institutional Class shares average annual return since April 2, 2007 is 7.33% (annualized).
- ⁹ The Lipper Multi-Cap Core Funds Index tracks the results of the 30 largest mutual funds in the Lipper Multi-Cap Core Funds Index Average. The Lipper Multi-Cap Core Funds Index Funds Average is a total return performance average of mutual funds tracked by Lipper, Inc. that invest in a variety of market capitalization ranges without concentrating 75% of their equity assets in any one market capitalization range over an extended period of time. These funds typically have average characteristics compared to the S&P SuperComposite 1500 Index. One cannot invest directly in an index.
- ¹⁰ The Russell 1000 Growth Index measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those companies in the Russell 1000 Index with higher price-to-book ratios and higher forecasted growth values. The Russell 1000 Index measures the performance of the 1,000 largest companies, as measured by market capitalization. One cannot invest directly in an index.

The statements and opinions expressed are those of the author as of the date of this report. All information is historical and not indicative of future results and subject to change. This information is not a recommendation to buy or sell any security. Past performance does not guarantee future results.

You should consider Pax Funds' investment objectives, risks, and charges and expenses carefully before investing. For this and other important information, please obtain a fund prospectus by calling 800.767.1729 or visiting www.paxworld.com. Please read it carefully before investing.

An investment in the Pax Funds involves risk, including loss of principal.

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